



DONALD L. WOLFE, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
[www.ladpw.org](http://www.ladpw.org)

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

September 28, 2006

IN REPLY PLEASE  
REFER TO FILE: **LD-4**

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**LOANS FROM THE VALENCIA, BOUQUET CANYON, AND  
EASTSIDE BRIDGE AND MAJOR THOROUGHFARE CONSTRUCTION  
FEE DISTRICTS TO THE CASTAIC DISTRICT  
CASTAIC  
SUPERVISORIAL DISTRICT 5  
4 VOTES**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Adopt the enclosed Resolution authorizing loans from the Valencia, Bouquet Canyon, and Eastside Bridge and Major Thoroughfare Construction Fee (B&T) Districts to the Castaic B&T District in amounts not to exceed the limits prescribed in the enclosed Resolution, subject to the terms described therein.
2. Approve the enclosed Appropriation Adjustment to transfer \$3.5 million, \$10.5 million, and \$7 million, respectively, from the Valencia, Bouquet Canyon, and Eastside B&T Districts to the Castaic B&T District in Fiscal Year 2006-07.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

One of the priority projects in the Castaic B&T District is a project to widen The Old Road from Hillcrest Parkway to Lake Hughes Road. The total estimated design and construction cost of the project is currently estimated to be \$20.4 million, however, there are insufficient funds available at this time in the Castaic B&T District to fully fund this project.

The purpose of the enclosed Resolution is to provide funds to the Castaic B&T District, which your Board could then decide to use on The Old Road project by authorizing loans from the Valencia, Bouquet Canyon, and Eastside B&T Districts.

The Valencia, Bouquet Canyon, and Eastside B&T Districts have fund balances that exceed the funding level needed to implement anticipated projects within those Districts for the next 2 to 3 years. Fund balances of approximately \$200,000 (Valencia), \$1.1 million (Bouquet Canyon), and \$1.1 million (Eastside) will be retained in these Districts for anticipated short-term needs. The loaning Districts will still be able to implement high-priority projects using funds from future fee revenues and the loan repayments.

### **Implementation of Strategic Plan Goals**

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility as it will allow the County to utilize the B&T funds in a more efficient manner.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County's General Fund. The loans will be repaid in 10 equal annual principal payments plus interest on the unpaid balance by future revenues collected in the Castaic B&T District Fund Account. Funds for repayment on the loan amount for the project will be budgeted in future years as fees are collected from developers. Your Board approved these fees on March 26, 1992.

The loans will be secured by the County's Road Fund in the event the Castaic B&T District does not collect sufficient funds to make loan payments. The Road Fund may be used for this purpose since the project will be within road right of way and project costs are eligible gas tax expenditures. If repayment is required from the Road Fund, these funds will be paid solely from the Fifth Supervisorial District's Road Construction Program.

The priority project to widen The Old Road from Hillcrest Parkway to Lake Hughes Road was not anticipated in the Castaic B&T Districts' 2006-07 proposed budget. In order to provide sufficient funds to finance the project, an Appropriation Adjustment is necessary. The enclosed Appropriation Adjustment will decrease \$3.5 million (Valencia), \$10.5 million (Bouquet), and \$7 million (Eastside) in the Services and Supplies appropriation and increase the Castaic B&T District's Services and Supplies appropriation.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On June 13, 2006, your Board approved amendments for the County portions of the Valencia, Bouquet Canyon, Eastside, Lyons/McBean, and Castaic B&T Districts that allow District fees paid by development projects to be loaned to other Districts for projects in the County areas. Any proposed loan is required to be documented by a Resolution adopted by your Board.

The enclosed Resolution has been approved as to form by County Counsel.

#### **ENVIRONMENTAL DOCUMENTATION**

Adoption of the enclosed Resolution is not subject to the requirements of the California Environmental Quality Act pursuant to Sections 15061(b)(3) and 15378(b)(4).

#### **IMPACT OF CURRENT SERVICES (OR PROJECTS)**

The proposed loans to the Castaic B&T District will have no negative impact on the provisions of services.

The Honorable Board of Supervisors  
September 28, 2006  
Page 4

**CONCLUSION**

Please return three adopted copies of this letter and three copies of the signed Resolution to Public Works.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'DL Wolfe', is written over the printed name.

DONALD L. WOLFE  
Director of Public Works

JKC:ca

P:\LDPUB\TRANSP\AN\BOARD\LOANTOTHEOLDROADPROJECTCASTA\CBTDISTRICT.doc

Enc.

cc: Chief Administrative Office  
County Counsel

**RESOLUTION OF THE  
BOARD OF SUPERVISORS FOR THE COUNTY OF LOS ANGELES  
AUTHORIZING LOANS FROM THE VALENCIA, BOUQUET CANYON, AND  
EASTSIDE BRIDGE AND MAJOR THOROUGHFARE CONSTRUCTION FEE  
DISTRICTS TO THE CASTAIC BRIDGE AND MAJOR THOROUGHFARE  
CONSTRUCTION FEE DISTRICT**

WHEREAS, the Board of Supervisors, on March 2, 1982, added Section 21.32.200 to the Los Angeles County Code, providing for the establishment of Bridge and Major Thoroughfare Construction Fees to be paid by subdividers and building permit recipients in the County of Los Angeles; and

WHEREAS, on March 26, 1992, the Board of Supervisors adopted the Castaic Bridge and Major Thoroughfare Construction Fee (B&T) District (hereinafter referred to as Castaic B&T District); and

WHEREAS, on June 13, 2006, the Board of Supervisors approved Amendments to the Valencia, Bouquet Canyon, Eastside, Lyons/McBean, and Castaic B&T Districts' Reports to allow loans of B&T District funds between these B&T Districts; and

WHEREAS, the Valencia, Bouquet Canyon, and Eastside B&T Districts are expected to have revenue balances of about \$3.7 million, \$11.6 million, and \$8.1 million, respectively, in Fiscal Year 2006-07; and

WHEREAS, the bulk of these revenue balances are not anticipated to be needed for eligible projects within their respective Districts for approximately 2 to 3 years; and

WHEREAS, the Castaic B&T District Report includes a project to widen The Old Road from Hillcrest Parkway to Lake Hughes Road (hereinafter referred to as Project); and

WHEREAS, there is a current need to construct the Project; and

WHEREAS, future subdivisions and qualifying building permits within the Castaic B&T District will benefit from said Project; and

WHEREAS, there are insufficient funds available at this time in the Castaic B&T District to fully fund the anticipated costs of the Project; and

WHEREAS, this funding deficiency may be eliminated by the loans from the Valencia, Bouquet Canyon, and Eastside B&T Districts in amounts not to exceed \$3.5 million, \$10.5 million, \$7 million, respectively, to the Castaic District.

[illegible]

- Page 2 of 3

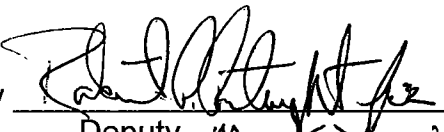
The foregoing Resolution was adopted on the \_\_\_\_ day of \_\_\_\_\_, 2006,  
by the Board of Supervisors of the County of Los Angeles and ex officio of the  
governing body of the which said Board so acts.

SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
County Counsel

By   
Deputy Mark Yamai

JKC:ca  
P:\DPUB\TRANSP\AN\BOARD\LOANBETWEENDISTRESOLUTION.doc

Attach.

**REQUEST FOR APPROPRIATION ADJUSTMENT**  
**DEPARTMENT OF PUBLIC WORKS**

NO. 690

September 20, 2006

## AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

## ADJUSTMENT REQUESTED AND REASONS THEREFOR

**4 FISCAL YEAR 2006-07**  
**8-VOTE BUDGET ADJUSTMENT**

SOURCES

## Services and Supplies

PW - B10 - 47000 - 2000 - \$7,000,000

PW - CN8 - 47000 - 2000 - \$2,308,000

PW - V51 - 47000 - 2000 - \$3,500,000

## Appropriation for Contingencies (3303)

PW - CN8 - 47000 - 3303 - \$1,063,000

## Designations

PW - CN8 - 47000 - 3017 - \$7,129,000

## Operating Transfers In

PW - CP9 - 47000 - 9911 - \$21,000,000

USES

## Operating Transfers Out

PW - B10 - 47000 - 6100 - \$7,000,000

PW - CN8 - 47000 - 6100 - \$10,500,000

PW - V51 - 47000 - 6100 - \$3,500,000

## Services and Supplies

PW - CP9 - 2000 - \$21,000,000

↳ 47000

JUSTIFICATION

In accordance with the attached Board letter, this adjustment is necessary to transfer \$7,000,000, \$10,500,000 and \$3,500,000 from Route 126 Eastside (B10), Bouquet Canyon (CN8) and Valencia (V51) Bridge and Major Thoroughfare Construction Fee Districts respectively, to provide a loan to Castaic (CP9) Bridge and Major Thoroughfare Construction Fee District for the construction of the Old Road widening project. At the time the funds are transferred, the loans receivable and payable and reserves will be adjusted in the funds.

Control No. 07-02

  
 DONALD L. WOLFE, Director

## CHIEF ADMINISTRATIVE OFFICER'S REPORT

 REFERRED TO THE CHIEF  
 ADMINISTRATIVE OFFICER FOR---

ACTION

APPROVED AS REQUESTED

AS REVISED

 ✓  
 RECOMMENDATION

  
 CHIEF ADMINISTRATIVE OFFICER

AUDITOR-CONTROLLER BY

Helen Fung

 APPROVED (AS REVISED):  
 BOARD OF SUPERVISORS

NO.

035

9-26-2006

BY

DEPUTY COUNTY CLERK



**PAYMENT SCHEDULE****LOAN FROM ROUTE 126 (EASTSIDE) B10 TO CASTAIC BMT CFD FUND CP9****PRINCIPAL - \$7,000,000****INTEREST - 4.53% \*****TERM - 10 YEARS**

<b>Payment Year</b>	<b>Interest</b>	<b>Beginning Principal</b>	<b>Principal Reduction</b>	<b>Interest Cost</b>	<b>Payment</b>	<b>Ending Principal</b>
FY 2007-08	4.53%	7,000,000	700,000	317,100	1,017,100	6,300,000
FY 2008-09	4.53%	6,300,000	700,000	285,390	985,390	5,600,000
FY 2009-10	4.53%	5,600,000	700,000	253,680	953,680	4,900,000
FY 2010-11	4.53%	4,900,000	700,000	221,970	921,970	4,200,000
FY 2011-12	4.53%	4,200,000	700,000	190,260	890,260	3,500,000
FY 2012-13	4.53%	3,500,000	700,000	158,550	858,550	2,800,000
FY 2013-14	4.53%	2,800,000	700,000	126,840	826,840	2,100,000
FY 2014-15	4.53%	2,100,000	700,000	95,130	795,130	1,400,000
FY 2015-16	4.53%	1,400,000	700,000	63,420	763,420	700,000
FY 2016-17	4.53%	700,000	700,000	31,710	731,710	-
<b>TOTAL</b>			<b>7,000,000</b>	<b>1,744,050</b>	<b>8,744,050</b>	

\*The interest rate to be applied will be determined at the time the loans are made and will be revised accordingly.

**PAYMENT SCHEDULE****LOAN FROM BOUQUET CANYON CN8 TO CASTAIC BMT CFD FUND CP9****PRINCIPAL - \$10,500,000****INTEREST - 4.53% \*****TERM - 10 YEARS**

<b>Payment Year</b>	<b>Interest</b>	<b>Beginning Principal</b>	<b>Principal Reduction</b>	<b>Interest Cost</b>	<b>Payment</b>	<b>Ending Principal</b>
FY 2007-08	4.53%	10,500,000	1,050,000	475,650	1,525,650	9,450,000
FY 2008-09	4.53%	9,450,000	1,050,000	428,085	1,478,085	8,400,000
FY 2009-10	4.53%	8,400,000	1,050,000	380,520	1,430,520	7,350,000
FY 2010-11	4.53%	7,350,000	1,050,000	332,955	1,382,955	6,300,000
FY 2011-12	4.53%	6,300,000	1,050,000	285,390	1,335,390	5,250,000
FY 2012-13	4.53%	5,250,000	1,050,000	237,825	1,287,825	4,200,000
FY 2013-14	4.53%	4,200,000	1,050,000	190,260	1,240,260	3,150,000
FY 2014-15	4.53%	3,150,000	1,050,000	142,695	1,192,695	2,100,000
FY 2015-16	4.53%	2,100,000	1,050,000	95,130	1,145,130	1,050,000
FY 2016-17	4.53%	1,050,000	1,050,000	47,565	1,097,565	-
<b>TOTAL</b>			<b>10,500,000</b>	<b>2,616,075</b>	<b>13,116,075</b>	

\*The interest rate to be applied will be determined at the time the loans are made and will be revised accordingly.

**PAYMENT SCHEDULE****LOAN FROM VALENCIA V51 TO CASTAIC BMT CFD FUND CP9****PRINCIPAL - \$3,500,000****INTEREST - 4.53% \*****TERM - 10 YEARS**

<b>Payment Year</b>	<b>Interest</b>	<b>Beginning Principal</b>	<b>Principal Reduction</b>	<b>Interest Cost</b>	<b>Payment</b>	<b>Ending Principal</b>
FY 2007-08	4.53%	3,500,000	350,000	158,550	508,550	3,150,000
FY 2008-09	4.53%	3,150,000	350,000	142,695	492,695	2,800,000
FY 2009-10	4.53%	2,800,000	350,000	126,840	476,840	2,450,000
FY 2010-11	4.53%	2,450,000	350,000	110,985	460,985	2,100,000
FY 2011-12	4.53%	2,100,000	350,000	95,130	445,130	1,750,000
FY 2012-13	4.53%	1,750,000	350,000	79,275	429,275	1,400,000
FY 2013-14	4.53%	1,400,000	350,000	63,420	413,420	1,050,000
FY 2014-15	4.53%	1,050,000	350,000	47,565	397,565	700,000
FY 2015-16	4.53%	700,000	350,000	31,710	381,710	350,000
FY 2016-17	4.53%	350,000	350,000	15,855	365,855	-
<b>TOTAL</b>			<b>3,500,000</b>	<b>872,025</b>	<b>4,372,025</b>	

\*The interest rate to be applied will be determined at the time the loans are made and will be revised accordingly.